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SECURITY COUNCIL COMMITTEE ESTABLISHED PURSUANT TO RESOLUTION 748 (1992) CONCERNING THE LIBYAN ARAB JAMAHIRIYA

PROVISIONAL SUMMARY RECORD OF THE 47th MEETING (CLOSED)

Held at Headquarters, New York,
on Friday, 18 November 1994, at 3 p.m.

Chairman: Mr. KOVANDA (Czech Republic)

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The meeting was called to order at 3.10 p.m.

ADOPTION OF THE AGENDA

The agenda was adopted.

PROGRESS REPORT BY THE CHAIRMAN

The CHAIRMAN recalled that at its previous meeting, the Committee had considered requests from Libya and Singapore. He had communicated the Committee's decisions to the Permanent Representatives of those countries. He had also communicated to the Permanent Representatives of Bulgaria and Libya the Committee's decision on the request from Libya for authorization for a Bulgarian company to provide navigational equipment to Libya for certain civil aviation calibration procedures.

MATTERS CARRIED OVER FROM PREVIOUS MEETINGS

(a) Draft letter addressed to the Permanent Representative of Malaysia to the United Nations and note verbale dated 31 August 1994 from the Permanent Mission of the Libyan Arab Jamahiriya to the United Nations

The CHAIRMAN said that the draft letter which he intended to send to the Permanent Representative of Malaysia (S/AC.28/1994/NOTE/14) concerned the request by the United States for the Committee to seek Malaysia's cooperation for an inspection of eight stainless steel reactors originally bound for Libya but now in the possession of a small private Malaysian company. The Committee had approved the draft letter at its 45th meeting but had then reversed its decision in order to allow for further consultations. He drew attention to the additional information contained in the Libyan note verbale dated 31 August 1994 (S/AC.28/1994/COMM.64).

Mr. ULYANOV (Russian Federation) said that his delegation could not agree to the dispatch of the letter, because it was still awaiting instructions from its authorities.

The CHAIRMAN suggested that the representative of the Russian Federation should inform him as soon as instructions had been received, so that the Committee could take up the matter.

He noted that the next six sub-items concerned the question of transfer of funds. He understood that the members of the Committee had now harmonized their

positions on the United Kingdom's informal paper dated 2 May 1994 on financial transactions or commercial transfers. He invited delegations to make their general positions on the question known.

Ms. KENWORTHY (United States of America) said that, despite the consultations which had been held, it had not been possible to reach a conclusion acceptable to all delegations. It would be better therefore to defer consideration of sub-items (b), (d), (e) and (g). She hoped that the continuing consultations would result in an agreement.

Mr. AL-BATTASHI (Oman) recalled that, at the 46th meeting, he had said that Oman was in favour of a collective decision on all pending matters, including the United Kingdom paper. The Committee had certainly discussed the question at great length, but that was a positive sign since it meant that the Committee tried to give complicated issues the in-depth study they deserved. In that context, his delegation supported the United States suggestion.

Mr. SILVA (France) said that he had informed the Committee repeatedly of the French authorities' concern that the Committee still had before it requests dating back to March 1994. There was no doubt that the transfers in question were legal; the only problem was one of modalities. On that basis, the options offered in the United Kingdom paper were acceptable. He appealed to the United States delegation to allow the Committee to settle what was an important matter as soon as possible.

The CHAIRMAN said that he himself had held consultations with the United States at the ambassadorial level with a view to resolving the issue, but that such matters usually depended on instructions from Governments. Although the Committee could not proceed any further at the present meeting on the general issue, it did seem that the United States representative had no objection to taking up two of the sub-items. He suggested therefore that the Committee should defer its consideration of sub-items (b), (d), (e) and (g) but take up sub-items (c) and (f).

It was so decided.

(c) Letters dated 29 March and 9 November 1994 from the Deputy Permanent Representative of Greece to the United Nations

The CHAIRMAN said that in letters dated 29 March and 9 November 1994 (S/AC.28/1994/COMM.25 and Add.1), the Deputy Permanent Representative of Greece had sought the Committee's guidance on the implementation of Security Council

resolution 883 (1993). At its 46th meeting, the Committee had agreed to defer the matter pending further consultations. It had now been established that it was permissible for the Greek exporters to handle only non-prohibited cargo. The way was thus open for the Committee to take a decision.

Ms. ARON (United Kingdom) said that a reply could certainly be sent to the Permanent Mission of Greece to the effect that payments in respect of non-prohibited cargo were legitimate. Payments relating to prohibited cargo must of course be deposited in a blocked account. The problem was with mixed cargoes. The Greek authorities should perhaps make it clear that cargoes exported from Libya must not be mixed. That should not be too difficult, since most goods were not prohibited.

Ms. KENNORTHY (United States of America) said that there was the additional question of the payment of port fees to Libyan Government entities. Such payments would be inconsistent with resolution 883 (1993). She would seek guidance on the matter from her authorities.

Mr. SILVA (France) supported the United Kingdom position.

The CHAIRMAN suggested that the Secretariat should look into the question of port fees and communicate its findings to the United States delegation. If there were no problems, a letter addressed to the Permanent Mission of Greece should be circulated to the members of the Committee under the no-objection procedure. The Committee would then be able to take the matter up again at its next meeting.

It was so decided.

(f) Letter dated 16 August 1994 from the Chargé d'affaires a.i. of the Permanent Mission of Australia to the United Nations and letter dated 4 October 1994 from the Permanent Representative of Egypt to the United Nations

The CHAIRMAN said that, following consideration of the Australian letter (S/AC.28/1994/COMM.61) at the 45th meeting, he had written to the Egyptian authorities requesting additional information about the status of the Arab International Bank based in Cairo. In his note verbale of 4 October 1994 (S/AC.28/1994/COMM.61/Add.1), the Permanent Representative of Egypt had confirmed that Libya was a minor shareholder in the Bank. A copy of the Bank's charter had also been made available.

Ms. KENNORTHY (United States of America) said that the United States had held consultations with the Permanent Representative of Egypt and could

confirm his desire to have the matter resolved as soon as possible. However, the United States could still not see a universally acceptable solution. Perhaps the Committee should ask the Egyptian Government, through a letter to the Permanent Representative of Egypt, what steps it had taken to verify the Libyan share in the Bank's capital and to ensure that sanctions were being enforced in that regard.

Ms. ARON (United Kingdom) said that her delegation would like more time to consider the matter, in view of the sensitivity of the question of implementation of the sanctions by Governments under their own legislation. The Egyptian Government might view a further inquiry from the Committee as interference in its internal affairs.

Mr. SILVA (France) said that it was certainly the sovereign prerogative of each State to implement the sanctions, particularly in the case of States in which the headquarters of banks or companies were located.

The CHAIRMAN, speaking as the representative of the Czech Republic, said that Libya's percentage share in the Bank's capital was determined by the Bank's charter and that it would not be easy for Libya to obtain additional capital. He would be hesitant, in any case, to ask a Government what it was doing to enforce sanctions, since that would seem to be questioning its good faith.

Speaking as the Chairman, he said that it would be difficult for the Committee to go along with the United States suggestion. Further consultations should perhaps be held, with a view to deciding how the Committee could best assuage United States fears while observing the requirements of protocol.

Ms. KENWORTHY (United States of America) said that her delegation was aware of the sensitivity of the issue. However, the letter from Egypt did not seem to be stating the position of the Egyptian Government, but merely relaying information supplied by the Bank.

Mr. NIAZ (Pakistan) observed that the letter was an official communication from the Permanent Representative of Egypt and that its last line did imply that it reflected the position of the Egyptian Government. There did not seem to be any reason why the Committee should not seek further information.

Mr. BADRI (Djibouti) said that he supported the Chairman's suggestion. He agreed with the representative of Pakistan that the letter did represent the position of the Egyptian Government, but did not think that making a further

inquiry as suggested by the United States representative was the best way to proceed. The Committee usually asked for further information from Governments only in respect of information obtained, for example, from press reports.

The CHAIRMAN suggested that the Committee should proceed in accordance with his suggestion.

It was so decided.

(h) Letter dated 3 October 1994 from the Permanent Representative of Canada and letter dated 9 November 1994 from the Chargé d'affaires a.i. of the Permanent Mission of Canada to the United Nations

The CHAIRMAN noted that the Committee had considered the two Canadian letters (S/AC.28/1994/COMM.70 and Add.1) at its meeting on 10 October 1994 and had decided to defer the matter, pending further negotiations with the Canadian authorities.

Ms. KENMORTHY (United States of America) said that the Canadian response to the Committee's inquiry was helpful but did not answer one of the questions, in other words, that it was not clear from the list of parts whether any United States components were included. The United States had asked the Canadian authorities for further information on that point. It had just received a reply but had not had time to review it thoroughly.

Ms. ARON (United Kingdom) said that her delegation still had some doubts about the question of dual use. It had explained its problem to the Permanent Mission of Canada, which was seeking further information.

The CHAIRMAN suggested that the Committee should defer the matter to its next meeting.

It was so decided.

NEW MATTER

The CHAIRMAN drew attention to a letter dated 10 October 1994 from the Legal Adviser of the International Labour Office (ILO) (S/AC.28/1994/COMM.73) about a social security project on which ILO was cooperating with the Libyan authorities. It seemed that ILO expenditures were reimbursed by a trust fund held by ILO for the account of the Social Security Fund, which appeared to be a public authority of Libya. The Legal Adviser was seeking confirmation from the Committee that ILO had acted correctly in freezing that account, and wished to know whether expenditures under the project could be reimbursed from a separate

account opened to be by Libya to hold the proceeds of the sale or supply of the products referred to in paragraph 4 of resolution 883 (1993).

Ms. ARON (United Kingdom) said that her delegation had no problem with the letter. The opening of a separate account was the correct solution.

Mr. SILVA (France) said that his delegation agreed with the United Kingdom.

The CHAIRMAN suggested that a letter should be sent to the Legal Adviser of ILO confirming that position.

It was so decided.

The meeting rose at 4 p.m.